Sugar production

1839. SHRI RAM JETHMALANI:
DR. MURLI MANOHAR JOSHI:

Will the Minister of CONSUMER, AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that sugar production during the year 2006-07 in the country is estimated to be more than consumer requirement;

(b) if so, the facts thereof **and** the basis for the estimated over production;

(c) whether a proposal to remove restrictions on sugar import, due to production being more than consumer demand, is under consideration; and

(d) if so, the facts thereof and the reasons for not deregulating sugar industry in view of the above circumstances?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH); (a) and (b) The preliminary estimates of sugar production for 2006-07 sugar season (October-September) are placed at about 227 lakh tonnes which would be more than the annual consumption in the country. The estimates were arrived at in a meeting of the Cane Commissioners/ Directors of Sugar of ten major sugar producing States held on 20th April 2006. The Government is yet to prepare the, sugar balance sheet for 2006-2007 sugar season.

(c) The Government, vide Notification dated 23.6.2006, has allowed import of white sugar at zero percent customs duty without any quantitative restrictions up to 30.9.2006.

(d) The Government has already taken certain measures to deregulate the sugar industry such as, sugar industry has been delicensed, the levy obligation has been reduced to 10 per cent etc. Since varying interests of three paramount stakeholders, namely, the sugarcane growers, the sugar industry and the consumers are involved, the Government will take appropriate steps to further deregulate the sugar industry at appropriate time.